

FINAL APPROVED MINUTES

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE BRISTOL COUNTY WATER AUTHORITY

Wednesday, January 16, 2013
450 Child Street, Warren Office, Warren, RI

Pursuant to proper notice, the special meeting of the Board of Directors of the Bristol County Water Authority was called to order by Chairman Klepper at 4:15 pm, 450 Child Street, Warren Office, Warren, Rhode Island.

Executive Director Pamela Marchand, and the following Directors were in attendance at the commencement of the meeting:

Robert Allio, Paul Bishop, William Gosselin, John Jannitto, Allan Klepper, Raymond Palmieri, Sr.

Directors Absent: Joseph DeMelo, Frank Sylvia

Chairman Klepper explained the Board would be interviewing candidates for legal services and those candidates were advised that they could chose to be interviewed in open or closed session. Four candidates have responded, one candidate is unavailable to participate, one candidate will be interviewed in open session and 2 candidates will be interviewed in closed session. After the interviews the scheduled Board meeting will begin at 6:00 pm.

Candidate interviewed – Michael McElroy

Summary of interview:

In response to Director's questions:

Mr. McElroy stated he has been representing utilities for 36 years. Currently he is working solo in private practice in RI. He was the legal counsel for the PUC for the state of RI, does commercial litigation, property tax work and has a general corporate business practice. He also has experience drafting legislation. Mr. McElroy stated that he has a working relationship with another attorney who assists him if needed.

Director Fitta entered the meeting at 5:30 pm.

Mr. McElroy requested open session as he believes in being transparent and open on all issues. As for getting familiar with BCWA, he stated that he would do this at no cost to BCWA until up to date. BCWA will be hiring an experienced, efficient person, would only be charged for attorney fees, and not for paralegal or other expenses.

Director Jannitto made the following motion

MOTION: To go into Executive Session under RIGL 42-46-5 (a)(1) to interview 2 candidates for Legal Services.

Director Gosselin seconded the motion.

Motion passed unanimously.

The Board entered Executive Session at 4:45 pm.

The Board returned to open session at 6:05 pm.

Chairman Klepper informed the Board the former Director Bert Anger of Barrington had passed away and asked for a moment of silence.

Chairman Klepper explained that the Board had interviewed one candidate in open session and two candidates in closed session for Legal Services. A fourth candidate was not present but was asked to be reconsidered.

Public Input

Mr. Gary Morse presented a letter dated 1/26/11 from Mr. Ken Burke of the RI Water Resourced Board (attached). The letter requests the statutorily mandated plan that had been due in 1993 to the RIWRB. BCWA legal counsel had a duty to deliver on this plan and the plan was not submitted, this is an important issue to be considered in tonight's deliberations for legal services.

Executive Director P. Marchand stated that a plan was submitted to RIWRB but they were looking for additional information. We are currently waiting for an engineering study of the dams to determine what expenses BCWA will be liable for, then we can develop a project timeline said Ms. Marchand.

Mr. Hewitt stated, in his experience, he has retained many very able law firms for \$200 - \$250 per hour. A company, as small as BCWA, paying general counsel \$375 per hour is excessive. The other candidates are as capable as Ms. Mack, but would charge much less.

Mr. Jeff Black asked the Board to consider one of the other less expensive candidates for BCWA's legal services. Ms. Mack has been with BCWA for 20 years, this is just too long, and her rate is excessive.

Chairman Klepper stated that BCWA was served today with the Anawan lawsuit.

1. Legal Services Selection

Chairman Klepper stated legal services candidates were re-interviewed today. Three candidates were interviewed and one candidate who could not attend asked to be reconsidered.

Director Jannitto stated that he believes BCWA has good, competent legal service.

Director Jannitto made the following motion:

MOTION: To retain Cameron and Mittleman as Bristol County Water Authority's legal counsel.

Director Bishop seconded the motion.

Directors Gosselin, Bishop, Sylvia and DeMelo voiced their support of Ms. Mack.

Director Palmieri stated he will not be support Ms. Mack. BCWA will be getting legal services that will be reduced in experience in order to save money. Ms. McDonald, an associate joined the bar in 2009, Mr. Humphrey in 2006. He also stated that Ms. Mack is not admitted to the MA bar.

Director Fitta stated that he will not be supporting this motion. Professional services should be rotated over time; Ms. Mack has been with BCWA 20 years. Also, the candidates that we interviewed had considerably lower hourly rates than Ms. Mack.

Director Allio stated he will not support this motion. BCWA should look forward with new perspectives.

Executive Director P. Marchand stated that at this time, with the issues that we are facing regarding water supply, she supports Ms. Mack.

Chairman Klepper stated that 3 qualified, experienced firms were interviewed. Ms. Mack has a grasp of the situation in RI and MA. I am confident with the quality of the service that we have received and Ms. Mack has a grasp of where we are going.

Motion passed 4 – 3. Voting Aye Chairman Klepper, Directors Bishop, Gosselin and Jannitto. Voting Nay Directors Palmieri, Allio and Fitta.

2. Operations and Maintenance Budget.

Director Jannitto questioned if the purchase of a backhoe and dump truck were in the budget. Also, does the budget show compensation for staff members, some staff have not received a raise in 3 to 4 years.

Executive Director P. Marchand stated funds for those items are in the budget. Also, staff raises are in the budget but will have to be brought before the Board for approval.

Director Fitta questioned the amount spent on charge-offs.

M. Champagne stated most of those charge-offs are college students. BCWA tries to collect this money through a third party. At this time landlords are not responsible for this debt and to do so BCWA would have to change its Rules and Regulations.

Director Allio made the following motion

MOTION: To approve the Operations and Maintenance Budget, totaling \$7,933,531.00, as presented.

Director Jannitto seconded the motion.

Motion passed unanimously.

Chairman Klepper stated that the next scheduled meeting will be on 1/23/13, if needed.

Director Allio made the following motion

MOTION: To adjourn the meeting

Director Gosselin seconded the motion.

Motion passed unanimously.

There being no further business, the meeting was adjourned at 7:05 pm.

Kevin Fitta
Secretary

Addendum

After the meeting, the board was advised according to authority rules, five votes are necessary for approval, thus the 4-3 affirmative vote was voided and the process would be repeated at a subsequent meeting.

Addendum approved by the Board 4/10/13



**State of Rhode Island and Providence Plantations
Water Resources Board**

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Chairman John Jannitto
Executive Director Pasquale DeLise
Bristol County Water Authority
350 Child Street
Warren, RI 02885

January 26, 2011

Dear Chairman Jannitto and Mr. DeLise;

The WRB provides support to the Bristol County Water Authority through several of our planning and financial assistance programs, including the Bristol County Water Supply Act (RIGL 46-15.5). The WRB remains committed to working with BCWA to complete these remaining projects in a fiscally responsible manner.

At last night's meeting at Mount Hope High School, BCWA presented responses to questions that were raised by the sponsors of the meeting. Some of BCWA's responses included new projections for the costs of the remaining projects for the BCWA (specifically, the Shad Factory pipeline and the Child Street treatment plant). These new estimates (between \$9.5 and \$12 million) far exceed the currently available State funds of approximately \$6.9 million.

In accordance with RIGL 46-15.5-6 (b), the WRB requests that BCWA "prepare a plan to protect, enhance and improve its existing reservoirs, wells, well sites, transmission lines and treatment plants". I believe that BCWA has compiled most of this information already, but it should be formally submitted in a "master plan" format to include a schedule of the remaining work, projected cash drawdown schedules, and critical path milestones (including planning, engineering, permitting, construction, and start-up work). Immediately upon approval of this plan, WRB will continue to work with BCWA to ensure the appropriate funding is available and subsequently authorize the approved work.

I will be prepared to discuss this issue at your offices on February 2nd. In the interim, please call me at your convenience if you have any questions or concerns.

Sincerely,

Kenneth J. Burke
General Manager

cc: William Penn, WRB Chair; file

Presented to
the Board by
Jeff Morse
1/16/13